



Thermal Energy International Receives \$780,000 In Heat Recovery and GEM® Orders from Major Hospital

OTTAWA, ONTARIO – September 10th, 2013 – Thermal Energy International Inc. (TSXV: TMG) (“Thermal Energy” or the “Company”), a leading provider of custom energy efficiency and emission reduction technologies to energy intensive industries and institutions worldwide, today announced that it has received both a heat recovery system order and a GEM® steam trap system order from a major publicly owned hospital. The two orders total, in aggregate, approximately \$780,000. Both the heat recovery and GEM® steam trap systems are expected to be installed and revenue earned over the next six months.

“These two orders are the second time in the last 3 months where we have been successful selling both a heat recovery system and a GEM® steam trap system to the same facility at the same time” commented William Crossland, President and CEO of Thermal Energy. “Focusing on corporate accounts and cross-selling opportunities such as this is a key part of our strategy to leverage sales growth and these recent orders are evidence this strategy is beginning to pay off.”

The heat recovery and GEM® steam trap systems to be installed at the hospital are calculated by Thermal Energy to reduce the hospital’s annual fuel consumption by 31% and reduce the hospital’s total carbon emissions by approximately 8%. The projects will also provide a payback of approximately 2.4 years, with an expected life of 20 years.

With this order Thermal Energy’s order backlog currently stands at approximately \$8.7 million of which approximately \$0.5 million is related to long term contracts and is not expected to be reflected in revenue within the next 12 months. Thermal Energy includes in “order backlog” all purchase orders received for product or services that have not yet been reflected as revenue in the Company’s published quarterly financial statements.

About Thermal Energy International Inc.

Thermal Energy International Inc. is an innovative cleantech company providing a variety of proprietary and proven energy efficiency, emission reduction, water efficiency, and bioenergy products and solutions to the industrial, commercial and institutional markets worldwide. Thermal Energy is also a fully accredited professional engineering firm, and can offer advanced process and applications engineering services. By providing a unique mix of proprietary products together with process, energy, environmental, and financial expertise Thermal Energy is able to deliver significant financial and environmental benefits to its customers.

Thermal Energy's products include; **GEM®** - Steam traps and condensate return systems, **FLU-ACE®** - Direct contact condensing heat recovery, and **Dry Rex™** - Low temperature biomass drying systems. These award winning products are effective in a wide variety of industries and application and have an excellent track record of longevity, proven reliability and performance providing significant energy

savings, reduced GHG emissions, improved water efficiency, lower maintenance costs, improved product quality and increased production efficiency.

Thermal Energy International Inc. has offices in Ottawa, Canada as well as Bristol, UK, United States, Italy and China. To find out more about Thermal Energy International Inc. (TSX-V: TMG), visit our website at <http://www.thermalenergy.com>.

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This press release contains forward-looking statements relating to, and amongst other things, based on management's expectations, estimates and projections, the anticipated effectiveness of the Company's products and services and the timing of revenues to be received by the Company. Statements relating to the expected installation and revenue recognition for projects as well as statements about the anticipated effectiveness of the Company's products are forward looking statements. These statements are not guarantees of future performance and involve a number of risks, uncertainties and assumptions. Many factors, some of which are outside of the Company's control, could cause events and results to differ materially from those stated. Fulfilment of orders, installation of product and activation of product could all be delayed for a number of reasons, some of which are outside of the Company's control, which would result in anticipated revenues from such projects being delayed or in the most serious cases eliminated. Orders in the Company's backlog as described above may not turn into revenue due to many factors, some of which are outside of the Company's control, including but not limited to the Company's ability to deliver products on time and in accordance with specifications and the continuing financial viability of the customer. The Company disclaims any obligation to publicly update or revise any such statements except as required by law.

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